# HEALTH SERVICES AND DEVELOPMENT AGENCY

## COMMUNIQUE

MONTHLY PUBLICATION OF
HEALTH SERVICES AND DEVELOPMENT AGENCY
Andrew Jackson Building, 9<sup>th</sup> Floor
502 Deaderick Street
Nashville, TN 37243
615.741.2364

### **APRIL 2018**

For Meeting verification/change or agenda information, please call the Agency Office or check our website at www.tn.gov/hsda

#### **HEALTH SERVICES AND DEVELOPMENT AGENCY**

Chair......William Grandy
Vice-Chair.....Paul Korth
Executive Director....Melanie Hill
General Counsel......Jim Christoffersen

Tennessee Department of Health, Division of Policy, Planning and Assessment ..... 615/741-1954

Tennessee Department of Mental Health and Substance Abuse Services, Planning,
Research & Forensics .....
615/532-6717

Tennessee Department of Intellectual and Development Disabilities,
Office of General Counsel .... 615/253-8731
Main Office ..... 615/532-6530 or 800-535-9725

#### **CALENDAR**

## The Health Services and Development Agency will be closed on the following days: 2018

Monday, May 28, Memorial Day

Wednesday, July 4, Independence Day

Monday, September 3, Labor Day

Monday, November 12, Veteran's Day

Thursday, November 22 and Friday, November 23, Thanksgiving

Monday, December 24 and Tuesday, December 25, Christmas

Monday, December 31 and Tuesday, January 1, New Years

In the event that the last appropriate filing date falls on a Saturday, Sunday, or legal holiday, such filing should occur on the preceding business day.

\*Appeal deadline is 15 days after meeting date.

		2018 REVIEW CYCLE		
2018 Cycle Month	Publication Dates – Letter of Intent	Application Due Date	HSDA Meeting Dates	*End of Appeal Period
January	01/01/2018-01/10/2018	5 days after LOI published	4/25/2018	5/10/2018
February	02/01/2018-02/10/2018	и	6/27/2018	7/12/2018
March	03/01/2018-03/10/2018	и	6/27/2018	7/12/2018
April	04/01/2018-04/10/2018	и	8/22/2018	9/13/2018
May	05/01/2018-05/10/2018	и	8/22/2018	9/13/2018
June	06/01/2018-06/10/2018	и	10/24/2018	11/08/2018
July	07/01/2018-07/10/2018	и	10/24/2018	11/08/2018
August	08/01/2018-08/10/2018	и	12/12/2018	12/27/2018
September	09/01/2018-09/10/2018	и	12/12/2018	12/27/2018
October	10/01/2018-10/10/2018	и	2/27/2019	3/14/2019
November	11/01/2018-11/10/2018	и	2/27/2019	3/14/2019
December	12/01/2018-12/10/2018	e e	4/24/2019	5/9/2019

#### STATE OF TENNESSEE POLICY OF NON-DISCRIMINATION

PURSUANT TO THE STATE OF TENNESSEE'S POLICY OF NON-DISCRIMINATION, THE HEALTH SERVICES AND DEVELOPMENT AGENCY DOES NOT DISCRIMINATE ON THE BAISS OF RACE, SEX, RELIGION, COLOR, NATIONAL OR ETHNIC ORIGIN, AGE, DISABILITY OR MILITARY SERVICE IN ITS POLICIES OR IN THE ADMISSION OR ACCESS TO OR TREATMENT OR EMPLOYMENT IN, ITS PROGRAMS, SERIVCS OR ACTIVITIES.

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY EEO/AA COORDINATOR OR OFFICER, HEALTH SERVICES AND DEVELOPMENT AGENCY, ANDREW JACKSON BUILDING, 9<sup>TH</sup> FLOOR, 502 DEADERICK STREET, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364. ADA INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY'S ADA COORDINATOR: JAMES CHRISTOFFERSEN, HEALTH SERVICES AND DEVELOPMENT AGENCY, ANDREW JACKSON BUILDING, 9<sup>TH</sup> FLOOR, 502 DEADERICK STREET, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364.

## HEALTH SERVICES AND DEVELOPMENT AGENCY MEETINGS

THSDA Meeting is scheduled to be held at 8:30 a.m. CDT/CST
At the following Location:

#### April 25, 2018 (Tentative)

Cordell Hull State Office Building House Hearing Room II 425 5<sup>th</sup> Avenue North Nashville, TN

#### June 27, 2018 (Tentative)

Cordell Hull State Office Building House Hearing Room II 425 5<sup>th</sup> Avenue North Nashville, TN

\*Meeting locations are subject to change

\*\*All meetings of the Health Services and Development Agency are posted on the Agency's website at

www.tn.gov/hsda

#### **EXECUTIVE DIRECTOR'S ANNOUNCEMENTS:**

#### PLEASE NOTE

In order that the Agency members may have sufficient time to review the meeting packet, please submit all support, rebuttal and comments for matters on the Agency's agenda no later than noon (Central Time) on the thirteenth day before the meeting at which that matter will be heard. In accordance with T.C.A., Section 68-11-1609(g)(1), any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Agency and serve a copy on the applicant no later than fifteen days before the agency meeting at which time the application is originally scheduled.



#### RESULTS OF APPLICATIONS HEARD AT FEBRUARY MEETING

\*Open Arms Care Corporation d/b/a Shelby County #1 Old

Brownsville (West)

Unaddressed site of the intersection of Old Brownsville

Road Oak Road

Bartlett (Shelby County), TN 38002

CN1710-030

Contact Person: Michael D. Brent

Phone: 615-252-2361

**APPROVED** 

\*Open Arms Care Corporation d/b/a Shelby County #2 Old

Brownsville (East)

Unaddressed site of the intersection of Old Brownsville

Road Oak Road

Bartlett (Shelby County), TN 38002

CN1710-031

Contact Person: Michael D. Brent

Phone: 615-252-2361

**APPROVED** 

\*Open Arms Care Corporation d/b/a Shelby County #3 Unaddressed site of the intersection of Dexter Road and

**Dexter Lane** 

Cordova (Shelby County), TN 38002

CN1711-034

Contact Person: Michael D. Brent

Phone: 615-252-2361

APPROVED

\*Campbell Clinic Surgery Center

Unaddressed site on south side of Wolf River Blvd.

Germantown (Shelby County), TN 38138

CN1712-038

Contact Person: John Wellborn

Phone: 615-665-2022

**APPROVED** 

**DeLozier Surgery Center** 209 23<sup>rd</sup> Avenue North Nashville (Davidson County), TN 37203 CN1711-032

Contact Person: Brian White

Phone: 615-369-6336

**APPROVED** 

NHC Healthcare Johnson City 3209 Bristol Highway Johnson City (Washington County), TN 37601 CN1711-033

Contact Person: Bruce Duncan

Phone: 615-890-2020

**APPROVED** 

The relocation of an 8 bed ICF/IID home from 1457 Greendale Avenue, Memphis (Shelby County), TN to an unaddressed site located on the southwest corner of the intersection of Old Brownsville Road and Oak Road, Bartlett (Shelby County), TN 38002. The proposed site is the west half of the parcel described as Parcel B0148 00061 in the records of the Shelby County Tax Assessor. The estimated project cost is \$3,370,000.

The relocation of an 8 bed ICF/IID home from 1445 Greendale Avenue, Memphis (Shelby County), TN to an unaddressed site located on the southwest corner of the intersection of Old Brownsville Road and Oak Road, Bartlett (Shelby County), TN 38002. The proposed site is the east half of the parcel described as Parcel B0148 00061 in the records of the Shelby County Tax Assessor. The estimated project cost is \$3,370,000.

The relocation of an 8 bed ICF/IID home from 5350 Benjestown Road, Memphis (Shelby County), TN to an unaddressed site located on an 8.2 acre parcel located on the southwest corner of the intersection of Dexter Road and Dexter Lane, Cordova (Shelby County), TN 38002. The proposed site is the south half of the parcel described as Parcel 096507 00307C in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$5,130,000.

The relocation of Campbell Clinic Surgery Center currently located at 1410 Brierbrook Road, Germantown (Shelby County), TN to a new facility to be located at an unaddressed site on the south side of Wolf River Boulevard, 525 feet east of its intersection with Germantown Road, Germantown (Shelby County), TN. If approved, this application will replace the applicant's unimplemented CON (CN1208-040A) which was approved to expand the present facility at its current location from 4 operating rooms and 1 procedure room to 8 operating rooms and 2 procedure rooms. The applicant is owned by Campbell Clinic Surgery Center, LLC. The estimated project cost is \$21,485,200.

The conversion of an existing single specialty ambulatory surgical treatment center (ASTC) to a multi-specialty ASTC which is currently limited to plastic surgery procedures. The ASTC is located at 209 23rd Avenue North, Nashville (Davidson County), TN 37203. The applicant is owned by DeLozier Surgery Center, LLC. The estimated project cost is \$50.000.

The addition of 7 Medicare-certified skilled nursing facility (SNF) beds to NHC Healthcare Johnson City, a 160-bed dually certified nursing home at 3209 Bristol Highway, Johnson City (Washington County) TN. If approved, all 167 beds will be dually certified. The applicant is owned by NHC Healthcare Johnson City, LLC. The estimated project cost is \$474,000.

The Plastic Surgery Center of Brentwood 620 Church Street East Brentwood (Davidson County), TN 37027 CN1711-035

Contact Person: Winn Elliot Phone: 615-771-7718

APPROVED

The establishment of a single specialty ambulatory surgical treatment center (ASTC) limited to plastic surgery by physicians who are owners or employees of The Plastic Surgery Clinic, PLLC d/b/a Cool Springs Plastic Surgery. The ASTC will have two operating rooms and one procedure room and will be located at 620 Church Street East, Brentwood (Davidson County), TN. The applicant is owned by The Plastic Surgery Center of Brentwood, LLC. The estimated project cost is \$4,524,636.

#### **GENERAL COUNSEL'S REPORT**

Erlanger Behavioral Health, LLC Chattanooga, (Hamilton County), TN 37232 CN1603-012A Contact Person: Bill West

Contact Person: Bill West Phone: 615-726-5561 APPROVED MODIFICATION Unanimously approved on 8/24/2016 for the establishment of a new 88 bed mental health hospital and initiation of inpatient psychiatric and substance abuse services. Erlanger Behavioral Health, LLC, is 51% majority owned by Erlanger Health System, and 49% owned by Acadia Healthcare.

Request for change of control, with 80% of the membership interests in the LLC allocated to Acadia, and 20% to Erlanger Health System. The Acadia interests have been assigned by Acadia Healthcare Company to its whollyowned subsidiary, Acadia Chattanooga Holdings, LLC.

#### APPLICATIONS TO BE HEARD AT APRIL MEETING

\*Open Arms Care Corporation d/b/a Shelby County #4

Macon Road

Cordova (Shelby County), TN 38018

CN1801-004

Contact Person: Michael Brent

Phone: 615-252-2361

\*Open Arms Care Corporation d/b/a Shelby County #6

Latting Road

Cordova (Shelby County), TN 38016

CN1802-007

Contact Person: Michael Brent

Phone: 615-252-2361

\*Open Arms Care Corporation d/b/a Shelby County #5

**Latting Road** 

Cordova (Shelby County), TN 38016

CN1802-008

Contact Person: Michael Brent

Phone: 615-252-2361

\*Open Arms Care Corporation d/b/a Shelby County #8

Reese Road East

Memphis (Shelby County), TN 38133

CN1802-009

Contact Person: Michael Brent

Phone: 615-252-2361

\*Open Arms Care Corporation d/b/a Shelby County #7

Reese Road West

Memphis (Shelby County), TN 38133

CN1802-010

Contact Person: Michael Brent

Phone: 615-252-2361

Christian Care Center of Bolivar, f/k/a Pleasant View

Health Care Center

Undeveloped tract at intersection of Highway 64 and Lucy

Black Road

Bolivar (Hardeman County), TN 38008

CN1712-036

Contact Person: Jerry Taylor

Phone: 615-724-3247

The relocation and replacement of an 8-bed ICF/IID home from 5380 Benjestown Road, Memphis (Shelby County), TN to a lot consisting of two parcels, for a total of approximately 3 acres, a portion of which currently has an address of 8949 Macon Road, Cordova (Shelby County), TN 38127. The 3 acre parcel is described as Parcels 091019 00010 and 091019 00011 in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$5,130,000.

The relocation and replacement of an 8-bed ICF/IID home from 4254 Raleigh Millington Road, Memphis (Shelby County), TN to an unaddressed 1.9 acre parcel near the northeast corner of the intersection of Pisgah Road and Latting Road, Cordova (Shelby County), TN 38016. The 1.9 acre lot site is the western portion of the property described as Parcel D0209 00179 in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$3,370,000.

The relocation and replacement of an 8-bed ICF/IID home from 4240 Raleigh Millington Road, Memphis (Shelby County), TN to an unaddressed 1.9 acre parcel near the northeast corner of the intersection of Pisgah Road and Latting Road, Cordova, TN 38016. The 1.9 acre lot site is the western portion of the property described as Parcel D0209 00179 in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$3,370,000.

The relocation and replacement of an 8-bed ICF/IID home from 4707 Allendale Drive to an unaddressed 1.2 acre parcel lot between parcels with street addresses of 7751 Reese Road and 7781 Reese Road, Memphis (Shelby County), TN 38133. The 1.2 acre lot is the eastern lot of a 2.4 acre parcel described as Parcels 095400 00624 and 095400 00625 in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$3,370,000.

The relocation and replacement of an 8-bed ICF/IID home from 4695 Allendale Drive to an unaddressed 1.2 acre parcel lot between parcels with street addresses of 7751 Reese Road and 7781 Reese Road, Memphis (Shelby County), TN 38133. The 1.2 acre lot is the western lot of a 2.4 acre parcel described as Parcels 095400 00624 and 095400 00625 in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$3,370,000.

The relocation of Christian Care Center of Bolivar and the construction of a 67-bed replacement nursing home with all beds being dually certified for Medicare and Medicaid. The current facility, which is in an inactive status, is located at 214 North Water Street, Bolivar (Hardeman County), TN and the location of the proposed replacement facility is an undeveloped site on State Highway 64 at the intersection of Lucy Black Road in or near the city limits of Bolivar (Hardeman County), TN. The applicant is owned by Christian Care Center of Bolivar, LLC. The estimated project cost is \$9,702,271.11.

NHC Healthcare, Farragut 120 Cavett Hill Lane Farragut (Knox County), TN 37934 CN1712-037

Contact Person: Bruce Duncan

Phone: 615-890-2020

Metro Knoxville HMA, LLC dba Tennova Healthcare-

North Knoxville Medical Center

7565 Dannaher Drive

Powell (Knox County), TN 37849

CN1801-001

Contact Person: Clyde Wood

Phone: 865-859-1205

Memorial North Park dba CHI Memorial Hospital Hixson

2051 Hamill Road

Hixson (Hamilton County), TN 37343

CN1801-002

Contact Person: Janice Dyer

Phone: 423-495-7687

Regional MED Extended Care Hospital, LLC dba Regional

One Health Extended Care Hospital

890 Madison Avenue

Memphis (Shelby County), TN 38103

CN1801-003

Contact Person: Graham Baker

Phone: 615-370-3380

Unity Psychiatric Services Clarksville, LLC

930 Professional Park Drive

Clarksville (Montgomery County), TN 37040

CN1801-005

Contact Person: Christopher Puri

Phone: 615-252-4643

The addition of 6 Medicare certified skilled nursing home beds to the existing 100-bed nursing home. All 106 beds will be Medicare skilled beds. The facility is located at 120 Cavett Hill Lane, Farragut (Knox County), TN. The applicant is owned by NHC Healthcare/Farragut, LLC. The estimated project cost is \$140,000.

The addition of interventional cardiac procedures to its current single diagnostic cardiac catheterization lab. Tennova Healthcare-North Knoxville Medical Center is located at 7565 Dannaher Drive, Powell, (Knox County), Tennessee. The applicant is owned by Tennova Healthcare. The estimated project cost is \$227,225.

The acquisition of one fixed linear accelerator to be located at 2015 Hamill Road, Hixson (Hamilton County), TN. The project involves renovation of approximately 1,301 square feet and new construction of approximately 3,431 square feet including the construction of a linear accelerator vault. CHI Memorial Hospital-Hixson is a satellite facility of CHI Memorial Hospital-Chattanooga. The applicant is owned by Catholic Health Initiatives (CHI). The estimated project cost is \$8,468,323.

The addition of 24 long-term care hospital (LTCH) beds to Regional One Extended Care Hospital, 890 Madison Avenue, Memphis, (Shelby County), TN. If approved, the LTCH will contain 54 licensed beds. The facility currently has 24 licensed beds and 6 CON approved but unimplemented beds. The applicant is owned by the Shelby County Health Care Corporation. The estimated project cost is \$8,729,910.

The construction of a 48-bed mental health hospital for adults ages 18-64 located at 930 Professional Park Drive, Clarksville (Montgomery County), TN. The proposed adult mental health hospital will be attached to the existing 26-bed Behavioral Healthcare Center at Clarksville, a mental health hospital specializing in geriatric care. Both facilities are owned by American Health Centers, Inc. but will be separately licensed by the Tennessee Department of Mental Health and Substance Abuse Services. The estimated project cost is \$12,746,500.

#### **GENERAL COUNSEL'S REPORT**

Ave Marie Home Bartlett, (Shelby County), TN 38134 CN1312-048AEE Contact Person: Frank J. Gattuso, Jr.

Phone: 901-386-3211

Trustpoint Hospital, LLC 1009 North Thompson Lane Murfreesboro (Rutherford County), TN 37129 CN1502-006A Contact Person: Graham Baker Phone: 615-370-3380

The Farms at Bailey Station SNF Unaddressed site on Crooked Creek Road Collierville (Shelby County), TN 38017 CN1303-008AE Contact Person: Jerry Taylor

Phone: 615-724-3200

 Request for a two month extension from June 1, 2018 to August 1, 2018

The project was approved on April 23, 2014 for the replacement of 35 of the existing 75 nursing home beds and the addition of 25 new Medicare skilled beds to be housed in 6 newly constructed Green House Homes at 2805 and 2840 Charles Bryan Road in Bartlett. The 25 new beds were subject to the 2013-2014 Nursing Home Bed Pool. All beds were to be dually certified. The estimated project cost was \$7,999,960.00.

February 24, 2016- 18 month extension granted extending the expiration date from June 1, 2016 to December 1, 2017 and increase in project cost to \$9,300,000.00

August 23, 2017-Six month extension granted by the Executive Director pursuant to the Delegation of Authority policy extending the expiration date from December 1, 2017 to June 1, 2018. As of May 2017, three of the five 12-bed homes had walls and roofs in place and framing was due to start on the other two the following week.

Staff recommends approval because the project is nearing completion, and the time requested is necessary for implementation of the CON.

 Request for a one year extension from July 1, 2018 to July 1, 2019 to run concurrently with CN1606-024A.

CN1502-006A was approved on May 27, 2015 for the addition of 33 licensed beds, with total beds increasing from 96 to 129 beds. All bed increases occurred within existing space with no new construction involved. Phase 1 was implemented before the facility underwent a change of ownership and certificate of need application CN1606-24A was filed.

CN1606-24A approved on October 26, 2016, added 88 beds in new construction increasing total beds from 129 to 217.

Trustpoint was approved as a 60-bed hospital in CN0610-089AE. The facility has previously added beds under CN1207-031A (16) and also under the 10-bed exemption process twice in 2013 and 2014.

Staff recommends approval of the 12 month extension request so the projects can run concurrently.

• Request for a 24 month extension from July 1, 2018 to July 1, 2020 and increase in project cost from \$7,285,568 to \$13,276,833.

The project was approved on June 26, 2013 with an extended expiration date of three years for the establishment of a skilled nursing facility consisting of 30 Medicare certified skilled nursing beds to be part of a continuing care retirement community. These beds were subject to the 2012-2013 Nursing Home Bed Pool. A 23-month extension was granted on June 22, 2016 extending the expiration date from August 1, 2016 to July 1, 2018.

This project is part of The Farms at Bailey Station, a massive continuing care retirement community (CCRC), which will include independent living, garden homes, memory care, assisted living and a 60-bed skilled nursing home upon completion.

The Farms at Bailey Station SNF Unaddressed site on Crooked Creek Road Collierville (Shelby County), TN 38017 CN1311-045AE

Contact Person: Jerry Taylor

Phone: 615-724-3200

Stones River Manor 205 Haynes Drive Murfreesboro (Rutherford County), TN 37129 CN1506-026AEE Contact Person: Michael Brent Phone: 615-252-2361

#### **Agency Determination**

Meadowbrook Health and Rehabilitation Center, Inc. Pulaski (Giles County), TN

Staff recommends approval because the owners have invested \$13 million toward the development of the CCRC of which this project is a part. Groundbreaking for the skilled nursing facility is expected to occur in mid-May, 2018.

 Request for a 24 month extension from July 1, 2018 to July 1, 2020 and an increase in project cost from \$6,292,417 to \$10,896,514.

The project was approved on February 26, 2014 with an extended expiration date of three years for the addition of 30 Medicare-certified skilled beds in addition to the 30 Bed SNF approved by CN1303-008A, for a total of 60 SNF beds. These beds were subject to the 2013-2014 Nursing Home Bed Pool. A 15-month extension was granted on June 22, 2016 extending the expiration date from April 1, 2017 to July 1, 2018.

This project is part of The Farms at Bailey Station, a massive CCRC, which will include independent living, garden homes, memory care, assisted living and a 60-bed skilled nursing home upon completion.

Staff recommends approval because the owners have invested \$13 million toward the development of the CCCRC of which this project is a part. Groundbreaking for the skilled nursing facility is expected to occur in mid-May, 2018.

 Request for a 2 month extension, from 5/1/2018 to 7/1/2018

The project was approved on 9/23/2015 for the establishment of a 30 bed Medicare-certified skilled nursing home located at 205 Haynes Drive, with an estimated total cost of \$2,729,126.75.

A six month extension was granted by the Executive Director on August 17, 2017 pursuant to the Agency's Delegation of Authority policy extending the expiration date from November 1, 2017 to May 1, 2018. The project was 80% complete at the time.

Approval is recommended by Agency staff because construction is complete and awaiting Tennessee Department of Health occupancy approval.

Meadowbrook Health and Rehabilitation Center, Inc. has requested an Agency determination that a certificate of need is not required for a planned replacement facility to be located directly across a public road, with no property owned by another party between the existing and proposed parcels.

## **APPEALS OF AGENCY DECISIONS FACILITY DOCKET# DESCRIPTION MEETING DATE** Baptist Memorial Hospital Unnamed street address near the Appeal of Denial of CON 25.00-144364J 8/23/2017 intersection of Interstate 40 and Airline Road in Arlington (Shelby County), TN CN1705-018

#### **HEALTH SERVICES AND DEVELOPMENT AGENCY**

#### William J. Grandy

(Consumer, Lieutenant Governor)

## Paul Korth, Vice- Chairman (Hospital)

#### **Thomas Alsup**

(Consumer, Speaker of the House)

## Douglas Scarboro (Consumer, Governor)

#### **Thom Mills**

(Home Care)

#### **Todd Taylor**

(Nursing Home)

#### Kenneth Patric, M.D.

(Physician)

#### **Corey Ridgway**

(Ambulatory Surgical Treatment Centers)

#### **Keith Gaither**

Designee For Director of TennCare Wendy Long, M.D.

#### **Jaclyn Harding**

Designee For Comptroller Justin Wilson

#### Lisa Jordan

Designee for Commerce & Insurance Commisisoner Julie Mix McPeak